

its powers and franchises as would by law make proper the forfeiture of its charter, the attorney general or state's attorney so authorized shall file in the court hereinafter designated a petition in the name of the State setting forth in detail the alleged cause of forfeiture; and thereupon the court shall lay a rule upon the corporation to show cause within a time named why a judgment of forfeiture should not be entered as prayed; a copy of such rule and of the petition shall be served on the corporation by a day to be therein limited, as other process against the corporation, as hereinafter provided, would be served. By the day named in said order unless further time is granted by the court, the corporation shall file its answer, setting forth all its defences and verified by the affirmation or affidavit of one of its officers; such further pleadings, if any, shall be filed within such time as the court shall direct.

Bill of complaint; cause of forfeiture; proof.

Held that a bill of complaint (under sec. 367 of the Code of 1904), must be filed in the name of the state by authority of the Governor, and not by a member or certificate holder of the corporation. Insolvency, abuse of corporate powers, etc., not proven. *Mason v. Equitable League*, 77 Md. 486.

Sec. 367 of the Code of 1904, held to be sufficient authority for the institution of proceedings against a corporation for the forfeiture of its charter, a special act of assembly for such purpose not being required. Alleged excessive rates exacted in good faith by a coal company while operating a railroad which it claimed to own, held not to be a violation of the coal company's charter, and hence no cause of a forfeiture. *State v. Consolidation Coal Co.*, 46 Md. 5.

The furnishing of intoxicating liquor by an incorporated club to its members for a fixed price is a violation of a local option law, and a cause of forfeiture of the club's charter (under sec. 367 of the Code of 1904). *State v. Easton Club*, 73 Md. 99. And see *State v. Easton Club*, 72 Md. 297; *Conococheague Club v. State*, 116 Md. 323.

Proceedings under sec. 367, *et seq.*, of the Code of 1904, against a fraternal order which was in reality doing an insurance business, upheld—see notes to secs. 193 and 229 of art. 23, An. Code 1912 (see footnote to art. 48A, and to art. 48A, sec. 180, this Code). *International Fraternal Alliance v. State*, 86 Md. 552. *Cf. International Fraternal Alliance v. State*, 77 Md. 556.

Where an incorporated subordinate lodge severs its connection with the grand lodge, thereby inflicting injury upon its members, and also refuses to obey the order of the grand lodge, such action is only cause for an annulment of its charter (under sec. 367, *et seq.*, of the Code of 1904). A bill held not to be a proceeding under said section, and hence that the court had no power to forfeit the charter or correct any misuse or abuse of its corporate powers. *Goodman v. Jedidjah Lodge*, 67 Md. 125.

Generally.

The provisions relative to fraternal orders of sec. 239 of art. 23, An. Code 1912—see footnote to art. 48A, sec. 180, this Code—held not to be intended to supersede the remedies for the abuse, etc., of corporate powers afforded by sec. 367 of the Code of 1904. *Barton v. International Fraternal Alliance*, 85 Md. 33.

The state may properly demur to an answer to a proceeding under sec. 367, *et seq.*, of the Code of 1904. Said section referred to in holding an amendment of the charter of the Cumberland and Pennsylvania Railroad Company invalid. *State v. Cumberland, etc., R. R. Co.*, 105 Md. 483.

The right of removal does not exist in proceedings for the forfeiture of chartered franchises. *Bel Air, etc., Club v. State*, 74 Md. 300.

Sec. 367 of the Code of 1904, referred to in deciding that a state's attorney had no authority to institute *quo warranto* proceedings to oust an incumbent from a public office. *Hawkins v. State*, 81 Md. 311.

Cross references

As to the forfeiture of the charter of a railroad company which, after being sold, has been reorganized, see sec. 234.

As to proceedings against companies doing a security or guarantee business, for a failure to make the required deposit with the state treasurer, see sec. 141.

As to the forfeiture of the charter of turnpike companies, see sec. 324.

As to the forfeiture of charters for the non-payment of state taxes and the bonus tax, see art. 81, sec. 152.

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